Appln No. 09/690,243
Amdt date October 21, 2004
Reply to Office action of June 21, 2004

## REMARKS/ARGUMENTS

Claims 1-79 are presently pending. Applicants have amended independent claims 1 and 39 as set forth herein. Applicants respectfully request reconsideration, reexamination and allowance of the pending claims. Applicants further request a formal telephonic interview to discuss the outstanding Office Action and this response.

As an initial note, Applicants request that the Examiner consider and return copies of Forms 1449 filed with Information Disclosure Statements dated February 26, 2002, July 30, 2003 and October 31, 2003, as Applicants do not believe they have yet received the same.

The Examiner maintains his rejection of claims 1-79 under 35 U.S.C. §103(a) as allegedly being unpatentable over Whitehouse, U.S. Patent 6,005,945 in view of Lewis, U.S. Patent 6,233,565. Applicants respectfully request that the rejection be withdrawn

Applicants have amended independent claims 1 and 39 to include a limitation directed to the absence of a master PSD in Applicant's claimed system. In particular, as set forth in claim 1, Applicant's claimed system "does not include a master postal security device for transacting with the cryptomodule and for maintaining a pool of postage within the system purchased from the U.S. Postal Service." A similar limitation is set forth in claim 39. The limitation relating to value processing has been deleted from the claims.

As acknowledged by the Examiner, Whitehouse does not disclose such a scalable system with stateless cryptographic

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modules. See Office Action, paragraph 3. The claims as amended clearly distinguish Applicants' invention over Lewis, which is devoted to a system including a master PSD [postal security device] that interacts with each of the cryptomodules. Lewis disclose stateless cryptomodules acting as PSDs 20n. See Lewis, col. 6, lines 60-62, but these cryptomodules require a dedicated master PSD 40 that apparently supervises all of the individual PSDs in the following manner:

The master PSD 40 is responsible for all cash management functions . . . [T]he master PSD maintains a "pool" of postage with which the individual PSDs transact business. Customer 2n transactions occur between the customer's PSD 20n and the master PSD 40 over a secure bus 50, at RSP 4. purchase transactions and funds flow occur between the master PSD 40 and the Computerized Meter Resetting System ("CMRS") infrastructure 60 of the United States Postal Service Treasury . . .

Lewis, col. 6, line 60 - col. 7, line 10. According to Lewis, "Customer 2n transactions occur between the master PSD 40 over a secure bus 50, at RSP 4." Lewis, column 7, lines 3-5. As Applicants' claimed invention specifically distinguishes over the central master PSD of the Lewis reference, and the Examiner has already admitted that Whitehouse fails to disclose the claimed invention, it is apparent that neither the Whitehouse reference nor Lewis, either alone or in combination, disclose or

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suggest the claimed invention. Accordingly, Applicants respectfully request that the rejections be withdrawn.

Based on the foregoing, Applicants respectfully request formal allowance of claims 1-79 and early issuance of a Notice of Allowance.

Respectfully submitted,
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